

PERIOD 998 RECONCILIATIONS AND REPORTS

Activity: Accruals, Adjustments, Allocations,
and Reconciliations

Module: General Ledger (GL)

Role: GL Reporter

Accounting Period 998 is an adjustment period for a fiscal year during which departments will prepare and post year-end accruals, adjustments, and correction entries to clear any reconciling items found in previous accounting periods.

Upon request from departments, Fiscal Service Center (FSC) will open Period 998 for the departments once Period 12 is complete and close. In Period 998, departments will perform the following tasks as described in FI\$Cal Job Aid.258 Running the Year End Close Process:

- Post adjustment entries (all accruals and correcting entries)
- Run Allocations process after adjustment entries to the Period 998 are completed
- Complete final Plan of Financial Adjustment (PFA) reconciliation and post PFA reclassification
- Prepare PFA to submit to the State Controller's Office (SCO)
- Complete SCO Agency reconciliation for MODACCRL Ledger
- Prepare Transaction Request to SCO (if applicable)
- Review year-end reports generated from the MODACCRL Ledger (see page 5 for specific report guides)
 - Report 4
 - Report 6
 - Report 7
 - Report 18
 - Report 19
- Request FSC to close Accounting Period 998 when all of the above tasks are complete

Allocations:

After all expenditure accruals, adjustments, and corrections are completely posted in Period 998, departments will run expenditure allocations to distribute costs to the ultimate funding for year-end reporting purposes. There are no encumbrance allocations in Period 998 since Purchase Order transactions are for periods 1-12 only.

Plan of Financial Adjustment Reclassification (PFA):

Departments are required to reclassify any pending PFA transactions (not processed by SCO) to the appropriate Due To/Due From GL accounts at year-end. As soon as the allocations process is complete, departments will complete the PFA reconciliation to determine the reclassification entries. Once entries are posted, departments must verify all PFA amounts are reclassified to the appropriate Due To/Due From GL accounts. Departments can prepare the PFA transaction request and submit to the SCO. For detailed instructions of PFA reclassification, see eLearning “Record Year-End Plan of Financial Adjustment (PFA)”.

SCO Agency Reconciliation:

Once the PFA reclassification is complete, departments will complete the SCO Agency reconciliation for Period 998 from the MODACCRL Ledger. Period 998 is the last period to make adjustments or corrections in a fiscal year. Therefore, it is critical for departments to pay attention to both Appropriation balances and General Ledger (GL) accounts to ensure they are reconciled when performing the SCO Agency reconciliation.

- Appropriation Accounts – verify SCO and FI\$Cal balances have no variance in all appropriation accounts
- General Ledger Accounts – verify all GL accounts on Trial Balance Report are reconciled with the transactions posted in commitment control

In addition, departments should run monthly GL Reports to validate posting of year-end entries.

Year-End Reports (MODACCRL Ledger)

Departments will run the following FI\$Cal year-end reports from MODACCRL Ledger:

- Final Statement of Revenue (Report 4)
(FI\$Cal Job Aid .233 Year End Report 4 – Final Statement of Revenue)
- Final Budget Report (Report 6)
(FI\$Cal Job Aid .235 Year End Report 6 – Final Budget Report)
- Pre-Closing Trial Report (Report 7) ^{1/}
(FI\$Cal Job Aid .228 Year End Report 7 – Pre-Closing Trial Balance Report)
- Statement of Changes in Capital Assets Report (Report 18)
(FI\$Cal Job aid .231 Year End Report 18 – Statement of Changes in Capital Assets Report)
- Statement of Capital Assets Report (Report 19)
(FI\$Cal Job Aid .230 Year End Report 19 – Statement of Capital Assets Report)

^{1/}Report 7 is for review only since encumbrances and vouchers not approved by SCO are not included in MODACCRL Ledger

- In addition to FI\$Cal Job Aids, departments can refer to Department of Finance's eLearning Courses "Year-End Reports" for instructions on preparing year-end reports.

Departments will validate the following items when reviewing the MODACCRL reports:

- Total Expenditure account (GL 9000) and Reimbursement account (GL 8100) on Report 7 agree with Expenditures and Reimbursements on Report 6
- Amount in Provision for Deferred AR (GL 1600) equals the amount in the corresponding AR account (GL13XX) on Report 7
- Current year beginning balances of Reports 18 and 19 match with the prior year ending balances of Reports 18 and 19 submitted to the SCO

Departments should verify that there are no discrepancies on the reports.

Close Period 998:

Once the year-end MODACCRL reports are 1) reviewed and contain no abnormal or unreconciled balances and 2) the Period 998 SCO Agency reconciliation is complete with no reconciling item in both the appropriation balances and GL accounts, departments can request FSC to close Accounting Period 998. Email sent to FSC should include an email subject line as follows:

Email subject line: MEC-YEC Close 998 and Build BLL

Subject: Please close Period 998 and build BLL for (Department....) BU XXXX